

DECLASSIFIED in Part
PA/HO Department of State
E.O. 12958, as amended
June 21, 2006

NP, REC OF THE IRAN,
Box 602, Vol. IV,

DEX 9/1/74-4/73

DECLASSIFIED
Authority NNA 969046
By NC NARA Date 5/7/02

MEMORANDUM

NATIONAL SECURITY COUNCIL

ACTION
Outside System
No Number

~~TOP SECRET/COMINT~~ SECRETIVE

MEMORANDUM FOR: DR. KISSINGER July 14, 1972

FROM: HAROLD H. SAUNDERS *Hal*

SUBJECT: Message from Ambassador Farland

Ambassador Farland has sent you the message at Tab B. In it he notes that British, French and Italian arms salesmen are putting the hard sell on the Iranian armed forces and are encountering increasing receptivity. He says that his MAAG Chief has hesitated to push US weapons--which the Iranians would prefer--since there is a point of view "in certain echelons of the USG to the effect that we should do what is possible to prevent Iran, in our studied wisdom, from over-buying." Farland says his view is that "as long as Iran can financially afford both guns and butter there is no reason for us to lose the market, particularly when viewed over the red ink on our balance of payments ledger." He asks for your guidance and says that his MAAG chief will be instructed accordingly.

The message I propose in reply [Tab A] quite simply states that we should leave decisions on what to buy to the Government of Iran and confine ourselves to assuring that the Iranian Government has good technical advice from our military people on the capabilities of the equipment involved.

You are separately receiving a decision memorandum on the items which the President promised to the Shah when he was in Tehran. I have included the above guidance in the decision memorandum in that package as well. Therefore, you can reply to Farland both by telling him what our position is and by saying that this position will be confirmed by a Presidential directive here in the next few days.

RECOMMENDATION: That you approve sending the message at Tab A to Farland by the back channel.

Approve *[Signature]* Other *[Signature]*

~~TOP SECRET/COMINT~~ SECRETIVE

*with additional
of security personnel
on duty 2/12/72
No further action required*

BY WIRE (BACK CHANNEL. [REDACTED])

TOP SECRET (SENSITIVE) EYES ONLY

July 15, 1972

TO: Ambassador Farland
AmEmbassy Tehran

FROM: Henry A. Kissinger

With regard to the question of U.S. arms sales in Iran, the President's policy is to encourage purchase of U.S. equipment. Decisions as to desirability of equipment acquisition should be left in the hands of the Iranian Government and the U.S. should not undertake to discourage on economic grounds. The U.S. should offer technical advice on the capabilities of the equipment in question. If the Government of Iran has decided to buy certain equipment, no restrictions other than the normal licensing and legal requirements should be placed on U.S. firms which are prepared to supply it, and normal Embassy

Change added by HAK
facilitative services should be made available. *In short, it is not right not to allow the U.S. to encourage Iranian arms purchases.*
This general principle will be confirmed here in a Presidential

directive in the next few days when instructions are issued in connection with the specific items that the President promised the Shah when he was in Tehran. You will receive instructions on those through normal channels as soon as the directive is issued.

Warm regards.

TOP SECRET (SENSITIVE) EYES ONLY

~~TOP SECRET SENSITIVE~~

~~EYES ONLY~~

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[REDACTED]
R 121236Z JUL 72
FM TEHRAN
TO THE WHITE HOUSE

T O P S E C R E T 121201Z JUL 72 [REDACTED]
SENSITIVE - EXCLUSIVELY EYES ONLY
FROM: AMBASSADOR, TEHRAN, IRAN 041
TO: HENRY KISSINGER

GENERAL WILLIAMSON, CHIEF, ARMISH/MAAG, HAS INFORMED ME ENGLAND, FRANCE AND ITALY ARE PUTTING HARD SELL ON IRANIAN ARMED FORCES AND ARE ENCOUNTERING INCREASING RECEPTIVITY. WILLIAMSON FURTHER ADVISED THAT IRANIAN ARMED FORCES WOULD PREFER US EQUIPMENT, I.E. 200 M60 TANKS, MAVERICK AND HAWK MISSILES, LIGHT VEHICLES, ETC. SUM INVOLVED IN EXCESS OF \$250 MILLION. WILLIAMSON HAS HESITATED TO PUSH US ARMAMENT SALES SINCE THERE IS DEFINITELY A POINT OF VIEW IN CERTAIN ECHELONS USG TO EFFECT THAT WE SHOULD DO THAT WHICH IS POSSIBLE TO PREVENT IRAN, IN OUR STUDIED WISDOM, FROM OVER-BUYING. I HEARD THIS POSITION VOICED EXTENSIVELY BY JAMES H. NOYES, DEPUTY ASST. SECRETARY DOD, ON MAY 11 LAST. FURTHER, IT WAS THIS STANCE WHICH ACTIVATED THE RECENT SALE OF 800 CHIEFTAIN TANKS BY ENGLAND TO IRAN SINCE IRAN BELIEVED US POSTURE ON TANK PURCHASE WOULD BE NEGATIVE. MY VIEW IS THAT AS LONG AS IRAN CAN FINANCIALLY AFFORD BOTH GUNS AND BUTTER THERE IS NO REASON FOR US TO LOSE THE MARKET, PARTICULARLY WHEN VIEWED OVER THE RED INK ON OUR BALANCE OF PAYMENTS LEDGER. WOULD GREATLY APPRECIATE YOUR GUIDANCE AND WILLIAMSON WILL BE COUNSELED ACCORDINGLY. WARM REGARDS.

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~~TOP SECRET SENSITIVE~~

~~EYES ONLY~~

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